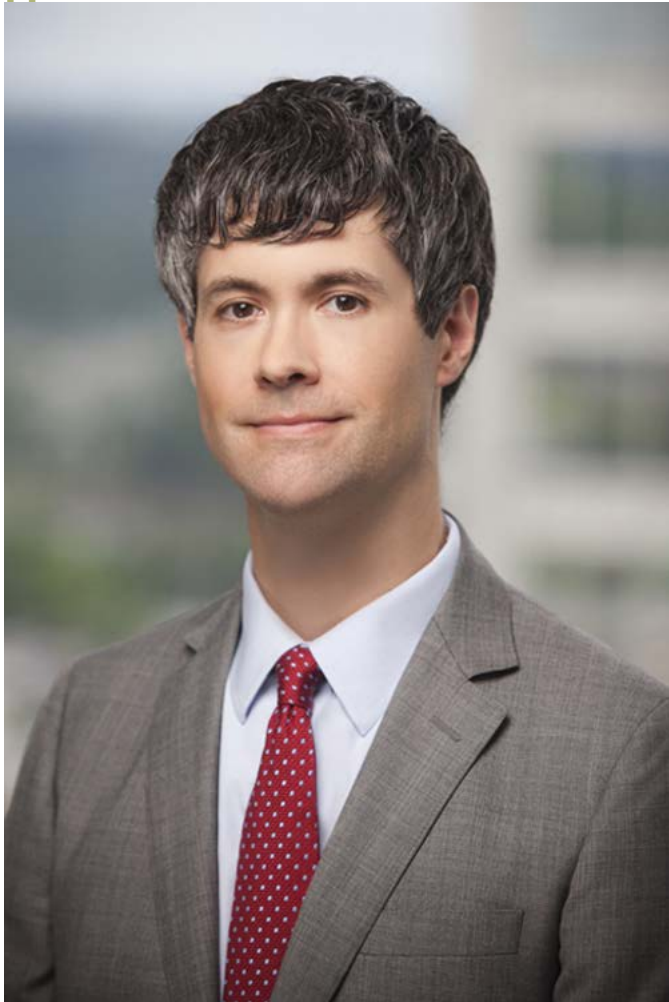


P3s in Arkansas

MITCHELL | WILLIAMS

Mitchell, Williams, Selig, Gates & Woodyard, P.L.L.C.

John Bryant, Esq., Mitchell, Williams, Selig, Gates & Woodyard, PLLC



- John Bryant is an attorney at the law firm of Mitchell, Williams, Selig, Gates & Woodyard, and practices primarily in the area of public finance, with experience in taxable and tax-exempt, and public and private finance transactions. He serves regularly in a variety of roles including bond counsel, underwriter's counsel, issuer's counsel, trustee's counsel and borrower's counsel.
- Mr. Bryant has served as lead counsel for transactions involving multiple types of issuers across the State of Arkansas and across the country. He has also provided legal counsel for financing numerous types of public projects, including schools and water treatment plants.

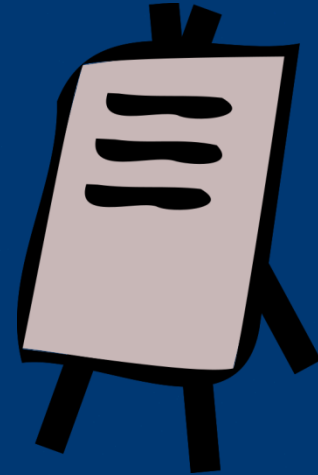
Larry Watkins, Esq., Mitchell, Williams, Selig, Gates & Woodyard, PLLC



- Larry Watkins is an attorney at the law firm of Mitchell, Williams, Selig, Gates & Woodyard, and he represents and advises lenders, owners, contractors, and suppliers on construction contracts, project finance, public-private partnerships, licensing & business regulation, and design & construction litigation, mediation, and arbitration. Mr. Watkins is also an American Arbitration Association Panel Construction Industry Arbitrator and Mediator, a Professor of Construction Law (ADJ) at the University of Arkansas School of Law, Little Rock, and a frequent author on and presenter of construction legal matters in Arkansas.
- Mr. Watkins has construction contract experience with all types of projects, including public buildings, private facilities, hospitals, offices, residential developments, educational buildings, industrial facilities, energy plants, and infrastructure.

P3 OVERVIEW

- ❖ P3 CONCEPT
- ❖ STRUCTURE OF P3s
- ❖ KEY ELEMENTS OF A P3
- ❖ TYPES OF P3s IN ARKANSAS
- ❖ IMPACT ON ARKANSAS COMPANIES
- ❖ QUESTIONS



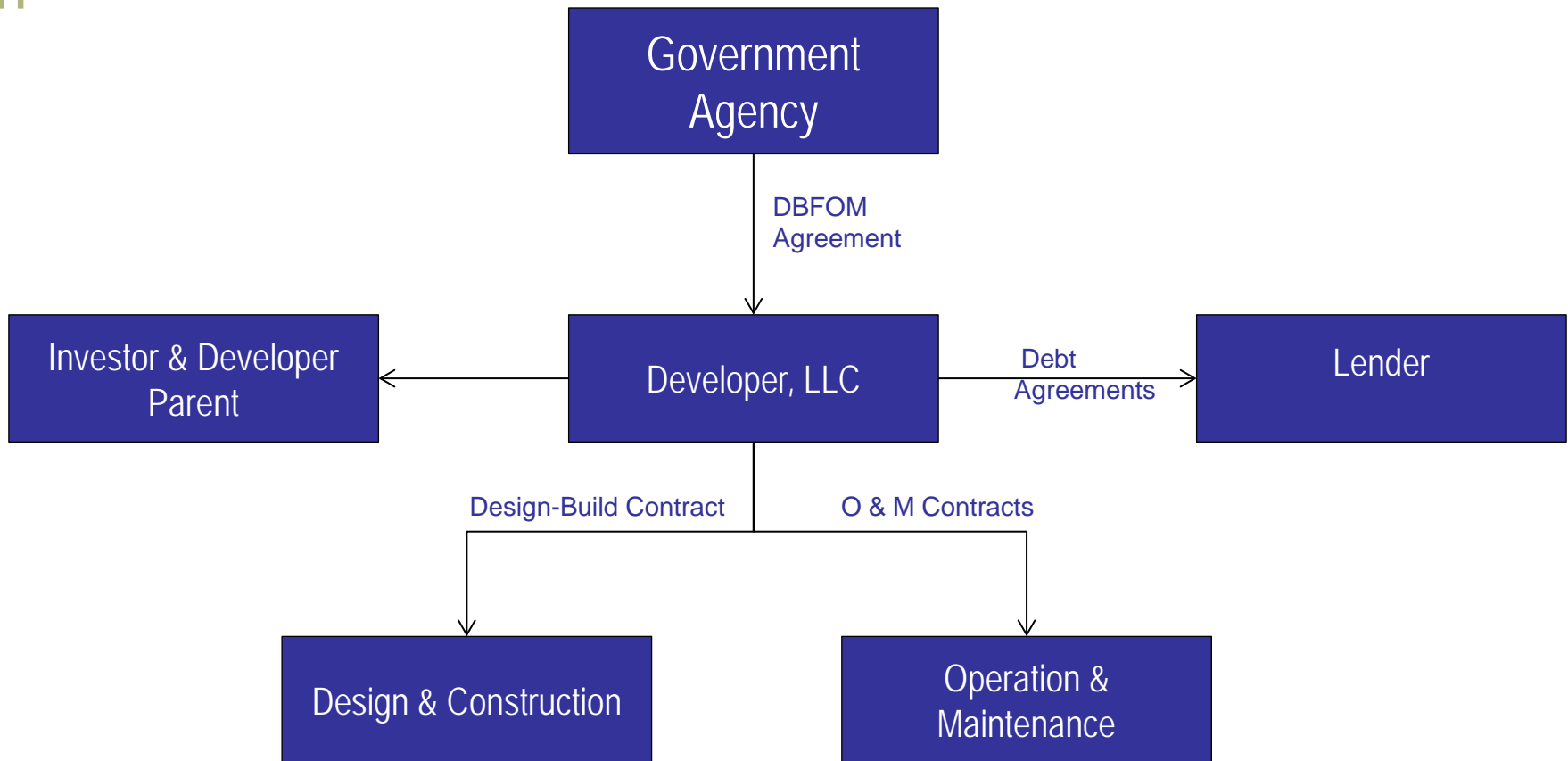
P3 CONCEPT

- ❑ Private company manages the complete delivery and operation of a public project
- ❑ Private companies are better at designing and building public projects – P3s add financing and O & M



- ❑ A P3 project cost is not based on the sum of design and construction costs but on the life cycle value (e.g. 30 yrs.)

STRUCTURE OF P3s



ELEMENTS OF A P3

- ❑ **DBFOM Agreement Between Developer & Government**
 - D = Design: Surveying, Engineering, Permitting
 - B = Build: Construction and Project Management
 - F = Finance: Banks, Private Equity & State/Fed. Bonds
 - O = Operate: Daily operation (e.g. wastewater plant)
 - M = Maintain: Routine replace & repair (e.g. building)
- ❑ **Cost Analysis Based on Life Cycle; Value for Money (VFM)**
- ❑ **Funding from Public – Whether Traditional or P3**
- ❑ **Project Must Have a Revenue Stream (e.g. WPA)**
- ❑ **Developer Paid Via Availability Payment or Revenue Risk**
- ❑ **P3s Can Be Delivered Now – Rather than Wait for 20 Yrs.**
- ❑ **P3s Are Returned to the Gov. Agency at End of Term**

TYPES OF P3s IN ARKANSAS

❑ P3 Enabling Legislation

- A.C.A. § 22-10-101 *et seq.*
- Primarily for State Social Infrastructure
- ARDOT and Local Projects Excluded
- Allows DB, DBOM, DBFOM, Concession



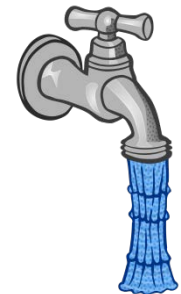
❑ P3 Transportation Statute

- A.C.A. § 27-67-206(j)
- Provides Solely for State Transportation Projects
- Allows DB, DBF, Concession = DBFOM



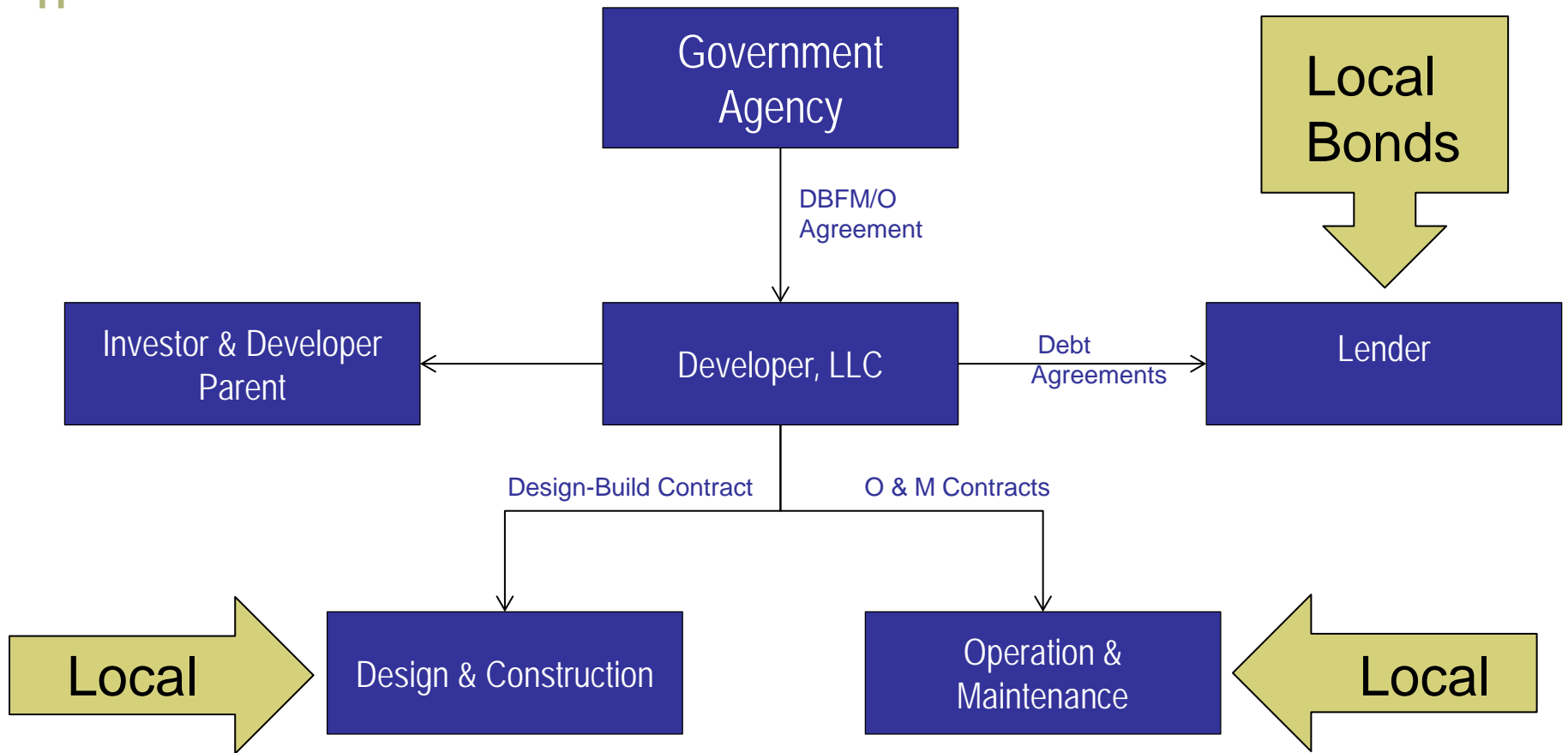
❑ P3 Water Statute

- A.C.A. § 22-9-203(j)
- Provides Solely for Municipal-level Water Projects
- Allows DB, DBOM, DBF, DBFOM



❑ Non-Statutory (e.g. Ground Lease)

IMPACT ON ARKANSAS COMPANIES



IMPACT ON ARKANSAS COMPANIES

□ Design & Engineering

- Environmental
- Civil
- Structural
- Architectural
- Mechanical & Electrical

□ Building & Construction

- Insurance, Bonds, Loans
- Project Management
- Site Work
- General Construction
- Trade Construction (Concrete, Electrical, Etc.)
- Equipment and Material Suppliers & Rental Co.

□ Operation & Maintenance

- Local Companies or Local Employees



QUESTIONS

